



Connecticut
Petroleum Council
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February 7, 2013

TESTIMONY REGARDING THE "GASOLINE GENERATOR BILLS," HB-5313 & HB-5344

The Connecticut Petroleum Council, a trade association representing major oil companies, refiners, oil & gas drillers, pipelines, terminal operators and others in the oil and natural industry, submits the following testimony raising concerns about the so-called "gasoline generator bills."

While well-intentioned, these bills are an expensive mandate on primarily small business owners which would provide only limited benefits. {Most service stations in Connecticut are owned by small and medium sized businesses, not the major oil companies.} If an emergency event were to occur (hurricane, power outage, blizzard, ice storm, etc.) local retailers may have trouble obtaining supplies of gasoline and diesel fuel. The difficulties we saw in New York, New Jersey and Connecticut after Hurricane Sandy were twofold: Some stations had power but no fuel, while other stations had fuel but no power. Many stations were unable to get fuel because of a major disruption in the supply chain, centered in NY Harbor. Generators are of no help if a station cannot get fuel. If these bills pass, Connecticut would be the only state in the country to impose a requirement that every station in the state have generator-supplied power.

Connecticut has had 3 weather-related power outages in the past 18 months, but prior to that, there were very few instances of service stations being closed due to lack of power. Prior to the past 18 months, power outages were usually of short duration and were more of a convenience issue than a health and safety issue. The decision to install a generator should be an individual business owner decision, not a statewide mandate. Some station owners may install them to gain a competitive advantage.

Two states, Florida and Louisiana, both have laws mandating that select stations have switchover capability, as well as access to back-up power. However, neither mandates that hook-ups be installed at every station. Obviously, those states are more prone to power disruptions because of the frequency of hurricanes in the south.

Generators providing adequate back-up power to service stations must be large enough to provide electricity not only for lights and dispensers, but for electronic communication (for credit card purchases), alarms, leak detection, security cameras, and vapor recovery systems. Most generators commonly used by homeowners or small businesses would not be powerful enough to adequately and safely power a gasoline station.

For a good summary on generators, see the OLR Report at: <http://www.cga.ct.gov/2012/rpt/pdf/2012-R-0539.pdf>